15 October 2025

The Daily Digest

Foreign G-Sec Bond Yield		
G-sec	**Yield (in %)**	**1D Change (bps)**
US 10Y*	4.01	-5
US 2Y*	3.46	-5
Germany 10Y	2.61	-2
UK 10Y	4.59	-7
Japan 10Y	1.64	-3

*Source: Bloomberg, *semi-annual*

G-sec yield		
G- Sec	**Yield (in %)**	**1D Change (bps)**
6.01% GS 2030*	6.13	-3
6.48% GS 2035* (10Y)	6.44	-1
6.68% GS 2040*	6.79	-1
1-Month T-bill	5.40	0
3-Month T-bill	5.42	0
6-Month T-bill	5.48	-3
12-Month T-bill	5.51	-3

*Source: CCIL, Bloomberg, *semi-annual*

Spreads in bps for Corporates				
Annualized Spreads	**3-year**	**5-year**	**7-year**	**10-year**
AAA	105	103	20	76
AA	217	200	117	171
A	410	395	316	378

Source: FIMMDA, as on 13 Oct, 2025

Key rates	
Policy	**Rate (in %)**
Repo rate	5.50
Standing Deposit Facility Rate	5.25
Bank rate	5.75
1-year median MCLR of SCBs	8.60
SOFR	4.15

Source: RBI, Federal Reserve Bank of New York

Major Equity Indices		
Indices	**Last**	**1D Change (%)**
BSE SENSEX	82,030	-0.4
NIFTY	25,146	-0.3
NASDAQ	22,522	-0.8
S&P 500	6,644	-0.2
Nikkei 225	46,847	-2.6
Euro Stoxx 50	5,552	-0.3

Source: Google Finance

Commodities Futures		
Commodities	**Last**	**1D Change (%)**
Brent Crude (USD/bbl)	62.3	-1.8
Natural gas Nymex (USD/MMBtu)	3.0	-2.6
Gold Comex (USD/t oz.)	4,200.0	0.9
Copper Comex (USD/lb)	502.2	-1.9
Wheat cbot (USD/bu.)	499.3	0.7

Source: Bloomberg

Exchange Rates		
Currency pair	**Rate**	**1D Change (%)**
USD/ INR	88.80	0.1
GBP/ INR	118.44	0.1
EUR/ INR	103.08	0.5
EUR/USD	1.16	0.4
DXY Index	98.90	-0.4

Source: Morningstar, Bloomberg, Marketwatch

Key events

India: Trade Balance Sep'25, MPC Minutes, T-bill Auction; **China:** CPI Sep'25, PPI Sep'25, New CNY Loans and Total Social Financing Sep'25

Domestic

WPI dips in Sep'25 as food and fuel prices recede (Source: PIB): WPI dipped to a mere 0.13% y/y in Sep'25 (Aug'25: 0.52%) largely due to falling food and manufactured good prices. Inflation in manufactured products eased to 2.3% in Sep'25 from 2.6% in Aug'25, while fuel and power category continued to show deflation at 2.6%. (Aug'25.: 3.2%)

IMF raise growth projection (Source: IMF): IMF increased real growth projection by 20 bps to 6.6% y/y for FY26 whilst projecting a decline of same 20 bps to 6.2% in FY27. The upward revision is attributed to a carryover effect from a strong Q1FY26. The downward revision for FY27 thus considered a fading momentum.

SGS auctions conducted successfully (Source: RBI): SGS worth Rs. 128 bn were auctioned by 8 states, against a notified amount of Rs. 128 bn yet half the amount projected in Q3FY26 auction calendar for the week. The lower-than-expected borrowing could be attributed to the release of two tranches of tax devolution in Oct'25.

International

US Fed officials soften their stance towards rate cuts (Source: Bloomberg):

- Chair Mr. Powell said that:
  - The US Fed is nearing a point where it will stop reducing the size of its bond holdings as there are ample reserves for banks. He indicated that financial conditions are getting tight
  - Labour market has softened pretty considerably since Jul'25 meeting. This has brought the balance with inflation even as he attributed ongoing price rises to tariffs rather than demand
- Ms. Bowman said that she believes US fed will deliver two rate cuts at its final two meetings of CY25
- Ms. Collins also supports cutting rates a bit more in CY25 to protect labour market amid contained inflation outlook

Global economic outlook shows modest change (Source: IMF):

- IMF predicts real global growth would edge upwards by 20 bps to 3.2% in CY25, with the outlook for CY26 unchanged at 3.1%
- It has increased the GDP forecast for US by 10 bps to 2% in CY25 and 2.1% in CY26
- China's GDP is expected to remain unchanged from last outlook at 4.8% and 4.2% in CY25 and CY26 respectively
- It said that the impact of the US induced tariff regime has been smaller than anticipated

China's consumer prices fall more than expected in Sep'25 (Source: CNBC): CPI fell 0.3% y/y in Sep'25, a sharper decline than forecast of 0.2% slide although easing from the 0.4% drop in Aug'25. Notably, Core CPI rose 1.0% highest since Feb'24. Also, China's producer price index fell 2.3% y/y, easing from 2.9% drop in Aug'25.

The Daily Digest

World oil market to see huge glut in CY26: IEA (Source: Reuters): World oil demand is forecast to increase by 740 kbpd in CY25, 20 kbpd below previous estimates, with resilient deliveries in advanced economies. It expands its prediction of a CY26 surplus from about 3.3 mbpd last month to 4 mbpd that would be equal to almost 4% of world demand.

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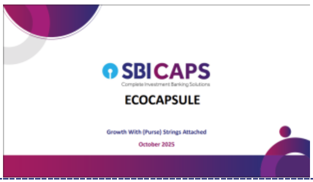

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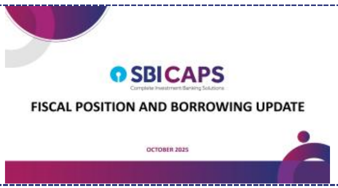

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